Stewardship Report 2026

(2025 activities)

Scotia Global Asset Management®

Contents

A message from our Head of Scotia Global Asset Management

Scotia Global Asset Management (Scotia GAM)[1] continues to strive to pursue its mission—to enrich clients' financial futures with investment solutions, delivered in partnership with comprehensive wealth advice. As part of this mission, we continue to actively engage on Environmental, Social, and Governance (ESG) issues to deliver long-term value to our clients.

The only constant is change. This past year we witnessed ongoing regulatory changes, climate change-related legal challenges for many corporations, heightened focus on many ESG themes, and significant geopolitical concerns. Against this backdrop, we remained steadfast in our focus on ESG-related issues to best serve our clients' goals relating to these themes. These are some of our activities and achievements over the past year in three key areas:

1. **Active engagement with companies**

   We continued to leverage our active management research capabilities and scale as a leading asset manager to engage with and influence the management teams of companies in which we invest. To learn more about our company engagement, see page **9**.

2. **Deep-rooted stakeholder advocacy**

   In an ever-changing regulatory environment, we advocated on issues ranging from climate change to waste management to sustainability reporting standards to help shape sound policy. To learn more about our advocacy this year, see page **9**.

3. **Commitment to Truth and Reconciliation**

   Scotiabank released its first Truth & Reconciliation Action Plan in October 2024, outlining 37 commitments designed to progress reconciliation with Indigenous Peoples in Canada. Scotia GAM fulfilled Commitment #35—understanding investment considerations that support Indigenous Peoples—by rolling out mandatory training for applicable Investment Teams with the goal of delivering better investment outcomes for our clients and enhancing engagement with companies. To learn more about this and plans to further advance on our Truth and Reconciliation Action Plan journey, see page **6**.

As stewards of our clients' capital, we continue to take a thoughtful approach to the consideration of ESG factors in the industry. Throughout our investment processes, we aim to deliver well-built solutions that can help meet our clients' goals and expectations.

We are committed to making strides on ESG issues in the upcoming year with diligence, deliberation and transparency.

Neal Kerr (he/him)
Scotia Global Asset Management

[1] Through our registrant 1832 Asset Management L.P.

Firm overview

Scotia GAM and its affiliates offer investment solutions designed to meet the needs of our clients across all levels of wealth in Canada and around the world.

To do this, our multi-disciplined Investment Teams draw on decades of portfolio management experience and firmly held principles to deliver high-conviction investment management that is supported by a robust risk management framework.

We are held to strict regulatory standards in the markets in which we operate. Our portfolio managers have a fiduciary responsibility to act with care, honesty and in the best interest of the mandates they manage. We provide our clients with important recurring information regarding our investment solutions, and, where required, we obtain their approval before making any fundamental changes to our investment objectives.

As one of Canada's largest asset managers, Scotia GAM and its affiliates offer a wide range of choice. We serve an array of clients through multiple brands and distribution channels, all of which are wholly committed to enriching our clients' futures with outstanding investment solutions delivered in partnership with comprehensive advice. For over 65 years, we have continued to evolve to best steward our clients' assets so they can reach their financial goals.

To learn more about Jarislowsky Fraser Institutional's[6] approach to responsible investment, its Stewardship Report can be read **here**.

$432 billion in AUM[2]

200+ investment professionals[3]

15+ distribution channels[4]

2 million+ clients[5]

All numbers reported as at October 31, 2025

[2] Assets Under Management (AUM) represents assets managed by Scotiabank (through its Global Wealth Management division) on a discretionary basis and in respect of which the Bank earns investment management fees. AUM are beneficially owned by clients and are therefore not reported on the Bank's Consolidated Statement of Financial Position.

[3] Investment professionals includes registered individuals employed by Scotia GAM and its affiliates.

[4] Distribution channels represents different types of financial intermediaries through which Scotia GAM makes its investment solutions available.

[5] The number of active client accounts for which Scotia GAM and its affiliates earn investment management fees.

[6] Jarislowsky Fraser Institutional is the Canadian institutional business of Scotia Global Asset Management, a business name used by 1832 Asset Management L.P.

Our approach to responsible investment

Scotia GAM places the highest priority on the stewardship of our clients' assets.

As active investment managers, we consider ESG factors, where relevant, and conduct deep proprietary research with active involvement from our portfolio managers and research analysts. We employ a thorough approach to risks and opportunities with dedicated support from our ESG Investment Committee.

It is important to offer clients choice, and Scotia GAM offers a range of investment products across our various distribution channels. Our products span mandates with investment objectives that focus solely on risk and return as well as investment products that incorporate ESG-focused considerations into the investment objective alongside risk and return.

Given the strengths of our Investment Team, our products are, for the most part, internally managed active mandates.[7] We believe that successful fundamental investing requires the consideration of relevant financial and non-financial factors.

Change is constant. It is important for companies to adapt to new governance and operational norms. Where appropriate, our Investment Team engages closely with companies to encourage progress, which assists the team in identifying the potential leaders of tomorrow.

For example, the team may consider securities of companies with characteristics such as:

Governance structures that support longevity and seek consistent results

Sustainable operations aligned to environmental regulations

Socially diverse and inclusive standards that drive customer, employee, and community value

[7] For our active mandates, we are referring to mandates actively managed internally by the Scotia GAM Investment Team, as opposed to those mandates that are passive and/or sub-advised externally.

Scotiabank released its first Truth & Reconciliation Action Plan in October 2024, outlining 37 commitments designed to build relationships of trust among Indigenous clients, employees and communities. These commitments represent consistent, meaningful, and progressive actions that will move Scotiabank along the path towards economic Reconciliation and prosperity.

Scotia GAM is pleased to take a central role in Commitment #35—understanding investment considerations that support Indigenous Peoples through training our Investment Team and awareness building.

In October 2025, Scotia GAM conducted mandatory Indigenous-designed and Indigenous-led training to Investment Team members that manage Canadian-focused mandates. Course content included education on legal responsibilities for Canadian corporations on Indigenous reconciliation and emerging best practices on corporate Indigenous reconciliation and engagement.

A 100% completion rate was achieved for those required to take the course—and Scotia GAM extended the course to other employees across the business, which received significant interest.

While Scotia GAM is pleased to have delivered on its commitment, it recognizes that Truth and Reconciliation is a journey and is currently exploring new opportunities to further its commitment, with the long-term goal of building investment insights and deepening trust in the community.

Dedicated ESG investment committee

Scotia GAM has a dedicated ESG Investment Committee that meets monthly to provide oversight and guidance on all our ESG initiatives.

This committee is comprised of members from our Executive Team, portfolio managers and members from the Investment Risk Team, Compliance, and other areas of the business.

Reporting directly to the Scotia GAM Board of Directors, the ESG Investment Committee:

- Evaluates ESG-related policies and guidelines;
- Supports the consideration of ESG factors in investment processes;
- Reviews potential ESG-related investment products;
- Provides oversight of commitments to align with industry initiatives;
- Facilitates knowledge sharing across Investment Teams; and
- Communicates externally on firm-wide ESG efforts.

"Trust and integrity are paramount in our industry. Our guiding principle from the very beginning for our approach to ESG was to be authentic and transparent with our stakeholders. We have sought to ensure that any reporting on ESG or external commitments accurately reflects our investing activities and how we manage our clients' capital."

Daniel Yungblut (he/him)
Head of Research and Chair of the Scotia GAM ESG Investment Committee

Internal governance of our ESG approach

We have implemented multiple layers of review and quality assurance on ESG considerations, and also on any reporting or external communication with our stakeholders.

Our ESG Investment Committee includes senior members from each of our Investment Teams and key oversight personnel. The ESG Investment Committee helps share best practices on the consideration of ESG factors across our Investment Teams.

Our formal oversight process includes quarterly reviews by our Oversight Committee to ensure that our portfolio managers are adhering to the investment processes and appropriately considering relevant factors in their investment decisions, including ESG factors where relevant.

The ESG factors considered in a mandate's investment process and the extent to which they are considered, if at all, depend on a mandate's particular investment objectives and strategies.

Mandates that do not incorporate ESG considerations into their investment objectives or primary investment strategies do not seek to achieve any ESG-related outcome or attributes at the security or portfolio level, and do not make any commitments regarding the ESG-related attributes at the security or portfolio level. For those mandates that do not incorporate ESG considerations into their investment objectives, ESG factors are considered, when deemed material, alongside many other factors, through the lens of how they could impact the investment objectives of each fund.

For our ESG-focused mandates, which incorporate ESG factors into their investment objectives, those specific ESG factors are relevant for most investment decisions.

Our ESG Investment Committee's direct understanding of our investment processes puts it in an appropriate position to review and approve our external ESG-related representations to stakeholders.

Scotia GAM has a Restricted Securities Policy, which applies to all Scotia GAM mandates, and is driven by risk management considerations. The intention of this Policy, which can evolve as circumstances change, is to ensure there are controls in place to restrict and monitor investments in certain securities. The Restricted Securities Policy is not intended to ensure ESG-related alignment in investment portfolios but may sometimes encompass ESG-related considerations.

ESG-focused mandates

In addition to the above governance processes, we recognize there are heightened requirements for our ESG-focused mandates, which incorporate ESG-related considerations into their investment objectives. Investors in those mandates rightly expect us to ensure that those ESG-related commitments are met.

The exact governance process for ESG considerations can vary slightly for each of our ESG-focused mandates; however, we can outline the general structure. For each ESG-focused mandate, a list of issuers (either an approved list or exclusionary list of issuers depending on the mandate) is created. This helps ensure that any companies purchased for any given mandate have incorporated the ESG-related objectives and strategies of that mandate.

In addition, at its regular monthly meetings, the ESG Investment Committee reviews those lists of issuers to ensure that all of the companies on each list are consistent with the parameters of the mandate and with reasonable investor expectations. If the ESG Investment Committee has questions about any holdings, the Chair of the Committee and the Senior Vice President and Head, Investment Management, follow up with the portfolio managers involved in the mandate in a timely manner. Appropriate action is taken, which could include engagement or divestment of specific securities.

Active engagement: case studies

At Scotia GAM, engagement is a key pillar of our active investment process, and our approach has remained consistent over time. We use our access to management teams and influence as a large investor to actively engage on a variety of issues and themes. We generally prefer to engage with companies on issues and support ongoing improvement, rather than exclude entire sectors.

Meeting with company management teams and other stakeholders is a hallmark of our active, fundamental investment process. We firmly believe we must consider issues material to the investment decision, including ESG-related issues, where relevant, as part of our fiduciary duty. With an increasing focus on ESG factors in the industry, we now explicitly label certain issues as ESG in our process.

We view our research, engagement, and proxy voting activities as key pillars of a comprehensive active investment process. None of these pillars functions in isolation because of concerns that the depth and effectiveness of our engagement could be diminished. Our investment professionals know companies best, meet with executive teams, and are well positioned to effectively engage with stakeholders and actively vote proxies. Through our engagement, we encourage companies to anticipate the impact any environmental and social issues may have on their competitive landscape through innovation and targeted capital spending.

Our engagement approach in 2025 can be highlighted by a diverse group of examples along the themes of sustainability and human rights.

Climate Engagement Canada

Our engagement activities include direct meetings with companies as part of our investment process, and our meetings with companies as part of joint initiatives such as Climate Engagement Canada (CEC). We are a founding member of CEC, a collaboration between institutional investors representing approximately $7.2 trillion of AUM[8], according to the organization, to jointly work with issuers to make progress on climate-related challenges. 2025 was the fourth year that CEC members began engaging directly with issuers, and it was a busy year.

The CEC released its annual benchmarking of key companies along 10 different metrics to support engagement activities. The benchmarking exercise provides context and a reference to guide our engagements. We co-lead the CEC group that engaged with an operator of convenience stores and gas stations, a potash producer and a utility company, while we also participated in two more joint engagements with a pipeline company and an infrastructure company.

The tone we have sought to set in our engagements with the CEC is constructive and working with companies to make tangible progress on climate-related issues, without impairing their core business activities and financial performance. The CEC engagements are in parallel to our core investment engagement meetings, and offer the opportunity to have a more focused discussion on climate issues. While we may not agree with every view and imperative of the other participants, we have found constructive ways to work with our CEC partners to encourage issuers to take key issues seriously.

[8] As of October 2024.

Potash producer

In 2025, we continued our engagement with the management team of a fertilizer producer, who remained forthcoming and open in discussing the evolution of their emissions reduction strategy and its integration into core business decision-making. Throughout our dialogue, the company described a more structured approach to decarbonization across its operations and value chain, with particular attention to addressing Scope 3 category 11 emissions from nitrogen production, the use of fertilizers by customers, and strengthening the resilience of farmers to climate and economic risk. Management emphasized clearer internal ownership over emissions and climate-related initiatives in an effort to align sustainability priorities with the broader corporate strategy.

The company highlighted several notable projects and achievements that demonstrated this more integrated approach. These included pilots to produce lower carbon ammonia and participation in an external green ammonia demonstration project designed to test the technical and commercial viability of emerging technologies which will be used to inform its longer term transition roadmap. They also described the expansion of programs aimed at promoting more sustainable farming practices, supported by improved data collection, verification and collaboration with value chain partners, which are starting to generate more credible and usable outcomes for customers seeking lower carbon supply chains. Management reported measurable progress in reducing emissions intensity in nitrogen operations and reporting that are intended to keep climate and carbon program disclosure robust, even as overall reporting is streamlined and integrated with core corporate reporting processes.

We were encouraged by their active advocacy role at national and international levels, including collaboration with the International Fertilizer Association and Science Based Targets Initiative (SBTi), and engagement with platforms such as Canadian Alliance for Net-Zero Agri-Food (CANZA) and US Farmers Ranch in Action to build demand for lower carbon fertilizers. They continue to be at the forefront to shape a sector appropriate emissions reduction pathway that also safeguards global food security. The company also emphasized internal changes to governance and reporting that are intended to keep carbon program disclosure robust, even as overall reporting is streamlined. We view their willingness to test new technologies, share lessons learned candidly, and continue expanding dedicated climate capabilities as a notable achievement that strengthens confidence in their long-term transition efforts.

At the same time, we noted that economic realities have impeded some elements of their strategy, particularly where larger scale decarbonization projects depend on improved project economics, greater certainty from partners and clearer demand signals for lower carbon products. As investors, we continue to encourage their emissions reduction efforts through promising pilot initiatives which translate into tangible defined incentives and clearer interim milestones. We have been encouraged by the company’s continued openness and responsiveness that have characterized our engagement to date.

Industrial companies

The Industrial sector covers a breadth of businesses, and as a team we have a material exposure to industrial companies across the capital structure. When we meet with management teams, the discussion often involves how their businesses are adapting or positioning themselves to benefit from the evolution to more efficient and sustainable technologies. We're especially attracted to opportunities where there is alignment between sustainability and strong shareholder returns. Many companies are generating strong and competitive returns on capital from sustainability-related projects. In a meeting with an industrial waste management company, we expressed our interest in providing capital to support their investments in metals recycling and comprehensive water management services. The company has a steady stream of water-related projects that will require significant annual capital spending. Part of our debate with the company was the rationale for share buybacks when there is such a strong pipeline of high-return water projects. Our continued engagement and work on the company is warranted, given the ongoing customer needs water treatment and regulatory requirements for legacy site cleanups that represent lucrative opportunities to leverage its capabilities.

Transitioning to more efficient and sustainable technologies can benefit many companies financially, and also contributes positively to society. However, the development of new innovations that facilitate that transition requires research and capital spending. It's always a delicate balance between spending on research and development that will support future innovations and ensuring strong financial performance today. Many engagements with management teams across sectors deal with capital allocation between short- and long-term imperatives to drive investor returns. We regularly meet with the major railroad companies, and this year the ongoing development of hydrogen locomotives was an important discussion. Hydrogen locomotives have the potential to dramatically reduce emissions intensity and improve efficiency in the transportation sector. In our meeting with one of the major railroad companies this year, we encouraged the company to continue its hydrogen locomotive development initiatives as efficiently as possible, without excessive capital risk. There are government grants or other research supports that can mitigate risks to investor capital as the initiatives progress. Hydrogen fuel costs remain high, but, as the technologies improve and are scaled up, the economics may improve dramatically while providing more efficient transportation solutions. We'll continue to engage with the company to support its prudent capital allocation approach.

Proxy voting analysis and disclosure

Proxy voting is a key part of our fiduciary duty and an important component of active engagement with companies. Our portfolio managers vote proxies to serve the best interests of our clients. Scotia GAM has hundreds of mandates to effectively serve a breadth of investors across retail, institutional, and other distribution channels.

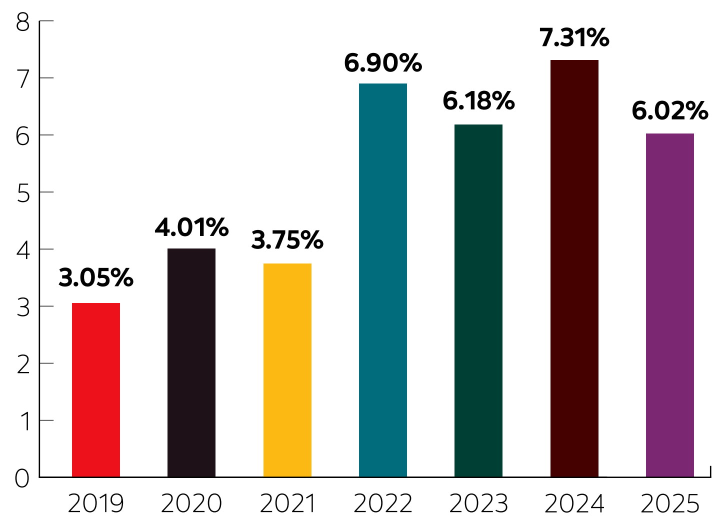
Scotia GAM generally does not impose a top-down firm-level view on proxy votes. As with investment research, we do not believe proxy voting can be separated as a function distinct from our Investment Team's research processes without impairing the effectiveness of our management engagement and our overall fundamental investment process.

Appropriate consideration of each proxy vote is essential to fulfilling our fiduciary duty to clients. Proxy votes are analyzed on a case-by-case basis. Voting decisions (for or against) are based on the merits of the proposal, whether it has been brought forward by management or shareholders.

Scotia GAM supports constructive action on environmental and social issues. However, there can be reasons to vote for or against proposals on environmental and social issues where we believe that the proposal is not aligned with the best interests of our clients. Proxy votes are only one tool in the engagement process and may not reflect broader conversations on a topic.

We update our proxy voting disclosures on a semi-annual basis. To see Scotia GAM's Proxy Voting Dashboard, **please visit the website** of our registrant, 1832 Asset Management L.P.

Percentage of ESG Votes to Total Votes (2019-2025)



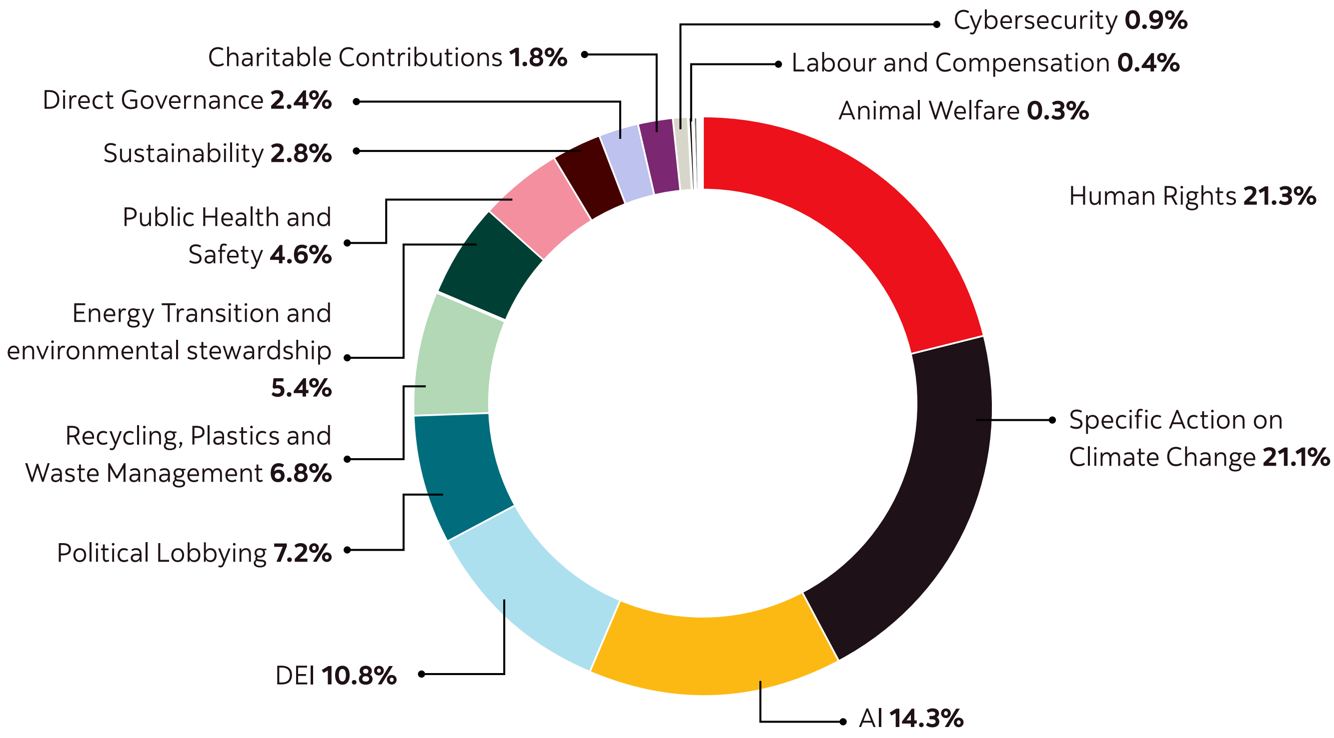
Environmental and social-related proxy voting record

As Environmental and Social (E&S) issues continue to become more prominent, in our experience, proxy votes dealing with these issues are occurring with greater frequency. In general, all proxy votes deal with governance issues, so the biggest evolution is for proxy votes that deal specifically with E&S issues. Scotia GAM's portfolio managers assess E&S-related proxy votes within the context of their overall investment process and act in the best interests of our investment funds. E&S votes cover a wide range of issues that are important for the strategic direction of businesses.

2025 E&S Proxy voting summary Jan 1 - Dec 31, 2025

Issue	E&S votes	% E&S votes by issue	Votes with management	% E&S votes with management	Votes against management and abstain	% Votes against management and abstain
Human Rights	1073	21.25%	958	89.28%	115	10.72%
Specific Action on Climate Change	1066	21.11%	1034	96.37%	32	3.00%
AI	722	14.30%	676	93.63%	46	6.37%
DEI	543	10.75%	495	91.16%	48	8.84%
Political Lobbying	362	7.17%	332	91.71%	30	8.29%
Recycling, Plastics and Waste Management	343	6.79%	324	94.46%	19	5.54%
Energy Transition and environmental stewardship	274	5.43%	251	91.61%	23	8.39%
Public Health and Safety	232	4.63%	189	81.47%	43	18.53%
Sustainability	137	2.81%	99	72.26%	38	27.74%
Direct Governance	122	2.42%	116	95.08%	6	4.92%
Charitable Contributions	92	1.82%	81	88.04%	11	11.96%
Cybersecurity	44	0.87%	41	93.18%	3	6.82%
Labour and Compensation	18	0.36%	16	88.89%	2	11.11%
Animal Welfare	14	0.28%	11	78.57%	3	21.43%
Total	**5,042**	**N/A**	**4,623**	**N/A**	**419**	**N/A**

2025 E&S proxy votes by issue



Proxy voting case studies

Case study #1

Type of company:	Consumer Grocery Company
Issue at stake:	Report on Food Waste Generated and Percentage Diverted from Landfills
Details of vote:	Shareholder Proposal to disclose the total food waste generated across its corporate, franchise, and associate-owned locations, and the percentage diverted from landfills
Scotia GAM voting decision:	Voted against the shareholder proposal
Voting result:	Against

Rationale:

The company is providing information regarding its commitments, targets and initiatives to reduce food waste in its board response and other disclosures. Its FY2023 and early 2024 ESG reporting are aligned to Global Reporting Initiative (GRI), Task Force on Climate-Related Financial Disclosures (TCFD) and Sustainability Accounting Standards Board (SASB) reporting for restaurants frameworks, and reports under the guidance of UN Sustainable Development Goals. The company has committed to a 2030 zero food to landfill target and has reported its year over year progress in terms of food diversion from landfill (in metric tonnes/MT) towards this goal. Given these considerations, the proponent's request appears overly prescriptive.

Case study #2

Type of company:	Ecommerce Company
Issue at stake:	Report on Efforts to Reduce Plastic Packaging
Details of vote:	Shareholder proposal to issue a report on pollution from plastic packaging, including setting goals for overall plastic packaging reduction
Scotia GAM voting decision:	Voted against the shareholder proposal
Voting result:	Against

Rationale:

The company has made statements on their efforts to transition away from plastic in its packaging and increase recyclability, with reductions in plastic weight per shipment, adoption of recyclable paper alternatives, and incentivize manufacturers to use recyclable packaging. They work with organizations such as the Ellen MacArthur Foundation and The Recycling Partnership which demonstrates its efforts to align with industry peers.

Proxy voting case studies

Case study #3

Type of company:	Technology
Issue at stake:	Report on Ethical AI Data Acquisition and Usage
Details of vote:	Shareholder proposal to publish a report analyzing risks to the company from the use of customer data for training of artificial intelligence and disclosing steps it is taking to minimize those risks
Scotia GAM voting decision:	Voted against the shareholder proposal
Voting result:	Against

Rationale:

The company has enhanced its AI-related disclosure, including the release of its Responsible AI Principles in June 2024. The company provides transparent disclosures regarding its privacy practices, such as its Private Cloud Compute, and measures allowing publishers to opt out of having their content used for their AI training. The company has implemented privacy measures, such as asking users for consent before sharing data with ChatGPT. The company also discloses data safeguards. Given these disclosures and best practices, it is not clear how the requested report would provide shareholders with additional insights beyond what has already been disclosed nor how it would be a good use of company resources to produce the requested report.

Case study #4

Type of company:	Restaurant Company
Issue at stake:	Disclose an Assessment of Current Climate Transition Plans
Details of vote:	Shareholder Proposal to publish an assessment report of whether its current climate transition plans and related resource commitments can reasonably achieve its 2030 and 2050 emissions reduction targets, or whether additional plans or commitments are necessary
Scotia GAM voting decision:	Voted against the shareholder proposal
Voting result:	Against

Rationale:

The company's transition plans are reasonable, comprehensive, and find the appropriate balance between different imperatives. The company has established policies requiring global beef and chicken suppliers to commit to setting science-based emissions targets validated by the SBTi in 2024, and they are taking proactive steps to reduce their largest sources of emissions. Using further company resources to assess viability of long-term emission targets is not sensible given the action already taken by the company, nor would additional commitments be reasonable for their business.

ESG investment solutions for our diverse clients' needs

Scotia GAM and its affiliates have a unique multi-brand, multi-distribution platform that serves clients across the investment spectrum and across our international footprint. This platform includes serving our Scotiabank customers and other Canadian retail investors via our Dynamic, ScotiaFunds, and Tangerine brands, as well as through our affiliate, MD Financial Management Inc. We manage investments for higher-net-worth clients who are serviced through Scotia Jarislowsky Fraser[9] and ScotiaMcLeod. We offer a range of ESG-focused solutions across our platform that incorporate ESG considerations into their investment objectives.

Scotia Global Asset Management's diverse ESG lineup

Dynamic®

Dynamic Energy Evolution Fund

Dynamic Sustainable Suite of Funds

ScotiaFunds®

Scotia Low Carbon Suite of Funds

Scotia Responsible Investing ETFs

Tangerine

Tangerine Socially Responsible Portfolios

MD

MD Fossil Fuel Free Suite of Funds

Dynamic® is a registered trademark of The Bank of Nova Scotia, used under license by, and is a division of, 1832 Asset Management L.P.

ScotiaFunds® are managed by Scotia Global Asset Management. ScotiaFunds are available through Scotia Securities Inc. and from other dealers and advisors, including ScotiaMcLeod® and Scotia iTRADE® which are divisions of Scotia Capital Inc. Scotia Securities Inc. and Scotia Capital Inc. are wholly owned by The Bank of Nova Scotia. Scotia Securities Inc. is a member of the Canadian Investor Protection Fund and the Canadian Investment Regulatory Organization.

Scotia Global Asset Management® is a business name used by 1832 Asset Management L.P., a limited partnership, the general partner of which is wholly owned by Scotiabank.

[9] In November 2025, the Scotia Private Investment Counsel and Jarislowsky Fraser Private Wealth businesses were combined into a single legal entity (1832 Asset Management L.P.) and now operate in Canada under the business name Scotia Jarislowsky Fraser.

Scotia GAM ESG Products

Fund	Thematic[10]	Exclusionary[11]
Dynamic Funds		
Dynamic Sustainable Credit Fund	✓	
Dynamic Sustainable Equity Fund	✓	
Dynamic Energy Evolution Fund	✓	
Scotia Low Carbon Funds		
Scotia Low Carbon Canadian Fixed Income Fund		✓
Scotia Low Carbon Global Balanced Fund		✓
Scotia Low Carbon Global Equity Fund		✓
Scotia Responsible Investing ETFs		
Scotia Responsible Investing Canadian Bond Index ETF		✓
Scotia Responsible Investing Canadian Equity Index ETF		✓
Scotia Responsible Investing U.S. Equity Index ETF		✓
Scotia Responsible Investing International Equity Index ETF		✓
MD Fossil Fuel Free Funds		
MD Fossil Fuel Free Bond Fund		✓
MD Fossil Fuel Free Equity Fund		✓
Tangerine Socially Responsible Global Portfolios		
Tangerine Balanced Income SRI Portfolio		✓
Tangerine Balanced SRI Portfolio		✓
Tangerine Balanced Growth SRI Portfolio		✓
Tangerine Equity Growth SRI Portfolio		✓

[10] Thematic: products that select and allocate companies that fall under specific sustainability-related themes.

[11] Exclusionary: products that apply filters to potential investments to exclude specific non-desired issuers or sectors.

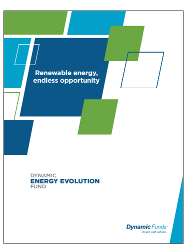
The Dynamic suite of sustainable investment-focused solutions includes:


Dynamic Sustainable Equity Fund
Making an active difference

Dynamic Sustainable Equity Fund seeks to provide long-term capital growth from an actively managed and diversified portfolio of equities of companies that are engaged in the development of a sustainable economy.


An active approach to sustainable investing
DYNAMIC SUSTAINABLE CREDIT FUND

Dynamic Sustainable Credit Fund seeks to provide income and the potential for capital appreciation from an actively managed and diversified portfolio of primarily North American investment-grade fixed income securities from issuers who are engaged in the development of a sustainable economy.



Dynamic Energy Evolution Fund seeks to provide long-term capital appreciation and income primarily through investment in a diversified portfolio of companies involved in renewable energy or related activities from around the globe.

Key investment themes for the Funds

Dynamic Sustainable Equity Fund and Dynamic Sustainable Credit Fund focus on five key sustainable investment themes that are derived from the United Nations Sustainable Development Goals.

Sustainable energy generation

Efficient consumption of energy

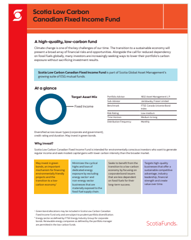
Responsible consumption and waste management

Sustainable industry, infrastructure and communities

Good health and well-being

Scotia Low Carbon Funds

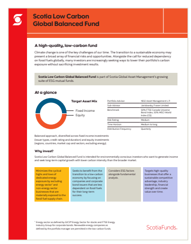
Scotia Low Carbon Funds[12] are intended for investors seeking a diversified portfolio of quality investments with lower carbon intensity than the broader market. To assist the portfolio advisor in measuring the relative carbon output of the Fund's investments, the weighted average carbon intensity (a carbon footprint analysis based on the measure of the volume of carbon emissions per dollar of sales generated by underlying companies, normalized by the weight of those securities in a portfolio) was calculated for both the Fund and the relevant broad market index. Carbon intensity is assessed in metric tonnes and included both Scope 1 and 2 carbon dioxide equivalent (CO_2e) emissions per million U.S. dollars in revenue generated by a business, where Scope 1 emissions refer to direct greenhouse gas (e.g. CO_2) emissions from company operations and Scope 2 emissions refer to emissions from purchased electricity. Each fund is managed to have a lower weighted average carbon intensity than its respective benchmark index.


Scotia Low Carbon Canadian Fixed Income Fund

Scotia Low Carbon Canadian Fixed Income Fund aims to generate regular income and modest gain, with lower carbon intensity than the FTSE Canada Universe Bond Index.[13]


Scotia Low Carbon Global Equity Fund

Scotia Low Carbon Global Equity Fund aims to provide long-term capital growth with lower carbon intensity than the MSCI World Index (C$).


Scotia Low Carbon Global Balanced Fund

Scotia Low Carbon Global Balanced Fund aims to generate income and long-term capital growth, with lower carbon intensity than 50% of the FTSE Canada Universe Bond Index and 50% of the MSCI World Index (C$).[14]

Why Invest?

- Lowers the carbon intensity of a portfolio relative to the benchmark
- Minimizes the cyclical highs and lows of dedicated energy sector exposure[15]
- Benefits from exposure to quality businesses that are less dependent on fossil fuels for their long-term success

[12] Scotia Low Carbon Funds were sub-advised by Jarislowsky, Fraser Limited (JFL), a wholly owned subsidiary of Scotiabank. On November 1, 2025, the business and operations of JFL were transferred to and carried on by 1832 Asset Management L.P.

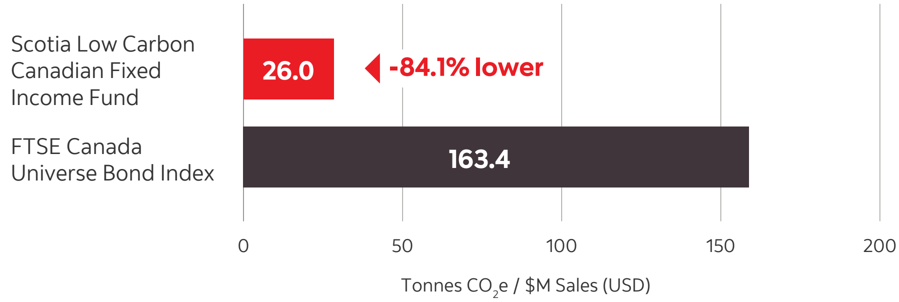
[13] FTSE International Limited ("FTSE") © FTSE 2024. FTSE® is a trade mark of the London Stock Exchange Group companies and is used by FTSE under licence. All rights in the FTSE indices and/or FTSE ratings vest in FTSE and/or its licensors. Neither FTSE nor its licensors accept any liability for any errors or omissions in the FTSE indices and/or FTSE ratings or underlying data. No further distribution of FTSE Data is permitted without FTSE's express written consent.

[14] This report contains certain information sourced from MSCI (MSCI information). The MSCI information may only be used for your internal use, may not be reproduced or redisseminated in any form and may not be used as a basis for or a component of any financial instruments or products or indices. None of the MSCI information is intended to constitute investment advice or a recommendation to make (or refrain from making) any kind of investment decision and may not be relied on as such. Historical data and analysis should not be taken as an indication or guarantee of any future performance analysis, forecast or prediction. The MSCI information is provided on an "as is" basis and the user of this information assumes the entire risk of any use made of this information. MSCI, each of its affiliates and each other person involved in or related to compiling, computing or creating any MSCI information (collectively, the "MSCI Parties") expressly disclaims all warranties (including, without limitation, any warranties of originality, accuracy, completeness, timeliness, non-infringement, merchantability and fitness for a particular purpose) with respect to this information. Without limiting any of the foregoing, in no event shall any MSCI Party have any liability for any direct, indirect, special, incidental, punitive, consequential (including, without limitation, lost profits) or any other damages. (www.msci.com).

[15] Energy sector as defined by GICS® Energy Sector for stocks and FTSE Energy Industry Group for bonds. Renewable energy companies as defined by the portfolio manager are permitted in the funds.

Scotia Low Carbon Canadian Fixed Income Fund

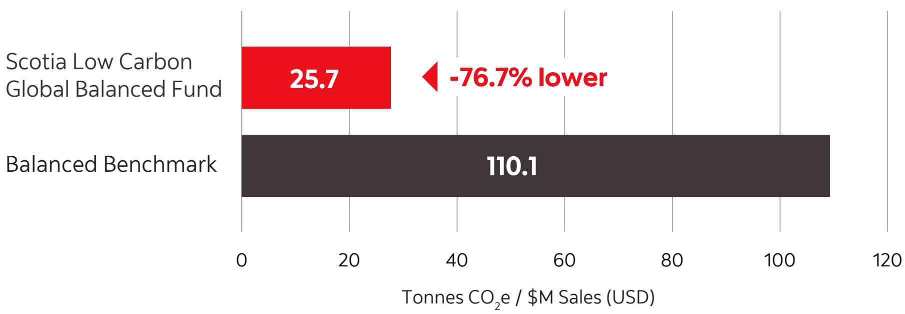
Weighted Average Carbon Intensity[16]



For Fund, data availability is 62.7% with 12.4% comprised of MSCI estimates; for benchmark, data availability is 34.9% with 12.5% comprised of MSCI estimates. Note that data availability is lower for bond funds because of the inclusion of government bonds.[17]

Scotia Low Carbon Global Balanced Fund

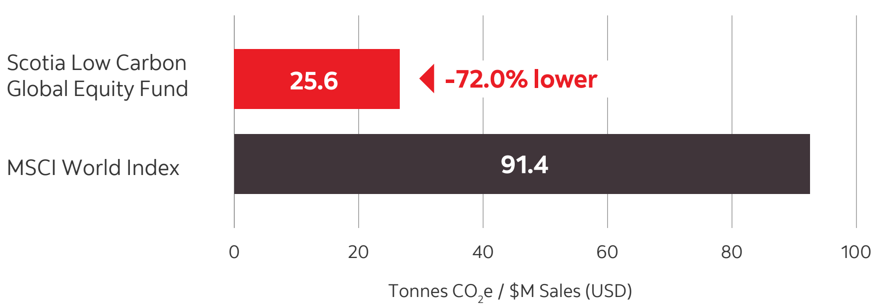
Weighted Average Carbon Intensity[16]



Balanced Benchmark is 50% MSCI World Index and 50% FTSE Canada Universe Bond Index. For Fund, data availability is 82.3% with 15.1% comprised of MSCI estimates; for benchmark, data availability is 67.4% with 10.1% comprised of MSCI estimates.[17]

Scotia Low Carbon Global Equity Fund

Weighted Average Carbon Intensity[16]



For Fund, data availability is 100% with 17.5% comprised of MSCI estimates; for benchmark, data availability is 99.9% with 7.8% comprised of MSCI estimates.[17]

[16] Carbon Intensity = tCO_2e/$M USD revenue. Data Sources: JFL and MSCI. Emissions include Scope 1 and Scope 2 Emissions.

[17] Fund holdings using available carbon intensity data as at December 31, 2024.

Scotia Responsible Investing ETFs

Scotia Responsible Investing ETFs are a suite of ESG exclusion funds that provide a simple, transparent, and low-cost approach for investors seeking a responsible foundation for their portfolio. The suite includes four core asset-class building blocks that offer broad market exposure coupled with the exclusion of significant involvement in defined sectors as well as considerations of gender equality and GHG emissions reduction.

SRIB	SRIC	SRIU	SRII
Scotia Responsible Investing Canadian Bond Index ETF	Scotia Responsible Investing Canadian Equity Index ETF	Scotia Responsible Investing U.S. Equity Index ETF	Scotia Responsible Investing International Equity Index ETF

Screening approach:

Each ETF tracks a responsible index screened by a set of responsible investment criteria defined by the index provider.

Established Norms—Issuers with alleged or verified failure to respect established norms, including the principles defined by the United Nations Global Compact on environmental protection, human rights, labour standards, and anti-corruption, are excluded from the Index. Issuers for which an assessment is not possible due to missing or incomplete information are also excluded from the Index.

Controversial Weapons—Issuers with verified ongoing involvement in controversial weapons, including chemical, biological and nuclear weapons, depleted uranium, cluster munitions and anti-personnel mines, are excluded from the Index. Issuers for which an assessment is not possible due to missing or incomplete information are also excluded from the Index.

Controversial Business Activities—Issuers that derive more than a specified percentage of their revenue (as determined by the Index Provider to measure material involvement) from business activities involving alcohol, cannabis, coal mining, coal power generation, fossil fuel, nuclear power, gambling, GMO, hydraulic fracturing, military, oil sands, pornography and tobacco are excluded from the Index. Issuers for which an assessment is not possible due to missing or incomplete information are also excluded from the Index.

Gender Representation—Issuers with no women represented on the Board of Directors or in any one of the top decision-making positions, including CEO, CFO, COO, are excluded from the Index.

Carbon Intensity—The remaining securities after applying the four exclusions above are ranked according to their carbon intensity profiles within their respective sectors, as measured by green house gas emissions per dollar of revenue. The 25% of issuers with the highest carbon intensity profiles within each sector are excluded from the Index.

With a clearly defined approach to exclusions, Scotia Responsible Investing ETFs seek to allow investors to align their investments and their values.

MD Financial Management

MD Fossil Fuel Free Funds™

The MD Fossil Fuel Free Funds™ will seek to avoid investments in companies extracting, transporting or processing fossil fuels.

MD Fossil Fuel Free Bond Fund invests in a variety of Government of Canada, provincial, municipal, corporate and asset-backed bonds with mid to long terms of maturity. The fund will follow a fossil fuel free investment strategy.

MD Fossil Fuel Free Equity Fund invests primarily in a diversified portfolio of equity securities that are appropriate for a fossil fuel free investment strategy. The fund may also invest in companies that provide solutions to the problems caused by using fossil fuels.

The funds seek to avoid investments in:

- Companies involved in oil and gas refining, marketing, storage & transportation
- Oil, gas, coal and consumable fuels producers
- Energy equipment and energy services companies
- Companies that have significant involvement in transporting fossil fuels and the fossil fuel transportation infrastructure
- Companies in the utilities sector that have significant involvement in the fossil fuel industry

MD Fossil Fuel Free Funds™ is a trademark of The Bank of Nova Scotia, used under licence.

MD Financial Management Inc. wholly owns or has a majority interest in its subsidiaries (the MD Group of Companies). It provides financial products and services, is the fund manager for the MD Family of Funds and offers investment counselling services. For a detailed list of the MD Group of Companies, visit md.ca.

Tangerine Socially Responsible Global Portfolios

Tangerine Socially Responsible Global Portfolios are mutual funds made up of a diversified mix of fixed income and/or equity ETFs that invest in securities located around the world and are filtered using socially responsible investment criteria.

Tangerine Balanced Income SRI Portfolio – target asset mix is 70% fixed income and 30% equities.

Tangerine Balanced SRI Portfolio – target asset mix is 40% fixed income and 60% equities.

Tangerine Balanced Growth SRI Portfolio – target asset mix is 25% fixed income and 75% equities.

Tangerine Equity Growth SRI Portfolio – target asset mix is 100% equities.

Screening approach:

The portfolios avoid companies based on the following criteria:

Controversial business activities

Companies that are perceived to be generating a material level of revenue from controversial business activities.

Carbon intensity

Companies ranking in the top 25% of their sector for the most carbon intense (CO_2/Revenue) manufacturing practices.

Gender representation

Companies with no women representation in key decision-making positions.

Established norms

Companies with alleged or verified non-compliance with established international norms (e.g. anti-corruption plus human, labour & environmental rights).

Controversial weapons

Companies with verified ongoing involvement in controversial weapons.

Active engagement with key responsible investment organizations

Scotia GAM continues to take a leadership role in the industry by actively engaging with key responsible investment-focused organizations. These organizations help shape policy and influence capital markets to address a range of societal challenges. We are selective about the industry organizations we join to ensure high-quality engagement and that we are comfortable with the initiatives the organizations are pursuing.

Signatory of:

PRI Principles for Responsible Investment

Principles for Responsible Investment (PRI)

Scotia GAM is a signatory to the United Nations-backed PRI, one of the world's leading proponents of responsible investment. The PRI outlines key commitments for signatories to support the development of a more sustainable |global financial system through the incorporation of ESG issues into investment decisions. Scotia GAM continues to be an active voice in the organization to help influence the strategic direction it follows in the future.

CCGG Canadian Coalition for Good Governance

Canadian Coalition for Good Governance (CCGG)

The CCGG is a prominent corporate governance organization in Canada, well positioned to effect change as an important voice of institutional shareholders investing in Canadian public equities. The CCGG provides guidance to Canadian companies regarding best practices to ensure effective communications with shareholders. The Chair of Scotia GAM's ESG Investment Committee is a member of the Environmental and Social (E&S) Committee, created to provide best practice guidelines on E&S matters through a governance lens.

CFA Institute

CFA Institute

The CFA Institute provides the premier global investment designation, the CFA Charterholder program, and it is also one of the world's most influential voices in global capital markets. The CFA Institute has developed ESG disclosure standards for investment productions, which have helped provide a consistent framework to facilitate comparison of different investment products on their ESG-related attributes.

Climate Engagement Canada[18]

Scotia GAM is a founding member of Climate Engagement Canada (CEC), a finance-led initiative that drives dialogue between the financial community and corporate issuers to promote a just transition to a net-zero economy.

Responsible Investment Association (RIA)

The RIA is focused on education, policy advocacy, and supporting the development and integrity of the industry. RIA members include asset managers, asset owners, advisors, and service providers who support the promotion of responsible investment in Canada's retail and institutional markets.

International Financial Reporting Standards Foundation

The IFRS Foundation is a not-for-profit corporation that sets global accounting standards for the financial statements of public companies, giving investors confidence that they can rely on financial statements to make informed investment decisions. The IFRS Foundation has developed a parallel set of sustainability-reporting standards to complement existing financial reporting rules. Scotia GAM has engaged throughout the process with detailed feedback.

[18] Logo used with permission from CEC.

Looking ahead

At Scotia GAM, we strive to enrich clients' financial futures with investment solutions, delivered in partnership with comprehensive wealth advice.

We consider ESG factors, where applicable, throughout our business to deliver long-term value to our clients. This includes active engagement with a wide range of stakeholders, deep in-house research, active involvement from our portfolio managers, dedicated oversight from our ESG Investment Committee, the launch of dedicated responsible investment solutions, and examining our own corporate social responsibility practices.

As we look ahead, we are dedicated to continual progress in all these areas – to best serve our clients' financial goals and the futures of those around us.

Scotia Global Asset Management®

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Commissions, trailing commissions, management fees and expenses all may be associated with mutual fund investments and ETFs. Please read the prospectus before investing. Mutual funds and ETFs are not guaranteed, their values change frequently and past performance may not be repeated.

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Jarislowsky Fraser Institutional is the Canadian institutional business of Scotia Global Asset Management, a business name used by 1832 Asset Management L.P.